

KENTUCKY DEPARTMENT OF EDUCATION

STAFF NOTE

Action/Discussion Item:

Site approval for the proposed new middle school, new elementary school, and future school facilities in Jessamine County.

Applicable Statute or Regulation:

702 KAR 4:050. Building Sites; Inspection, Approvals.

Action Question:

Should the Kentucky Board of Education (KBE) approve the purchase of the Collins Estate and Hall/Mulcahy properties for the site of the proposed new middle school, new elementary school, and future school facilities in this growth district?

History/Background:

Existing Policy. 702 KAR 4:050 states that the cost of school site acquisition and site preparation shall not exceed ten percent of the maximum budget for the project, unless approved by the Kentucky Board of Education.

Priority 1a. on the Jessamine County Facility Plan is construction of a new 900-student middle school. Priority 2a. is construction of a 650-student elementary school. The issue with the proposed site is that the cost of the property plus the estimated site development costs are 15.81% of the total estimated project cost.

Policy Issues and Options:

The proposed 85.92-acre site is along Union Mill Road, KY 169, about a half-mile east of Nicholasville, Kentucky. The estimate of site development and acquisition costs are as follows:

Architect's Estimated Site Development Cost for 36 acres*	\$3,600,000
Site Acquisition Cost, 85.92 acres	\$2,361,237
Total, Site Development & Site Acquisition Cost	\$5,961,237
Estimate of Total Project Cost, Middle School + Elem. School	\$37,703,337
*Min. 19 acres for middle school, plus min. 17 acres for elem. school	

The Board has the following options regarding this site acquisition request:

1. Approve the purchase of the site.
2. Delay action and request additional information.

3. Deny approval for the acquisition of this site.

Staff Recommendation and Rationale:

Staff recommends the KBE approve the purchase of this site. This site acquisition is a proactive move by a growth district to acquire multiple school sites beyond the 4-year period of the district facility plan. The site, near the eastern Nicholasville By-Pass now in the 6-Year Highway Plan, is close to the county soccer complex and park and East Jessamine County High School, making it convenient for shared programs. Sanitary sewer, water, and electric services are available at the site. The district investigated 13 sites and tried to buy three other properties, but typical asking prices were \$40-50,000/acre. The purchase price for the selected site, \$2,361,237, or \$27,482/acre, is \$303,763 less than the appraised fair market value of \$2,665,000. The estimated site development cost is based upon developing only 36 acres of the 85.92-acre site, because 36 acres is the minimum area required by regulation for the two schools. The cost of the remaining 49.92 acres that will be held for future school facilities distorts the calculation of the 10% threshold, for if the district purchased only 36 acres at \$27,482/acre, site development plus site acquisition costs would be 8.79% of the maximum budget for the projects. 702 KAR 4:050 allows KDE approval of school sites in a rapidly growing area—Jessamine Co. is a growth district—where existing schools cannot accommodate the increased student population and a new school may be proposed in a future facility plan. Again, we recommend approval of the site purchase.

Impact on Getting to Proficiency:

Good school facilities are a necessary component for academic success: a school's physical environment has an impact on student achievement, and the attitude of teachers and staff. The construction of the new middle school and elementary school will improve the instructional environment and favorably affect district progress toward reaching proficiency in 2014.

Contact Person:

Mark W. Ryles, Director
Division of Facilities Management
(502) 564-4326
Mark.Ryles@education.ky.gov

Deputy Commissioner

Interim Commissioner of Education

Date:

April 2007